



Ontario Racing Commission



53RD ANNUAL & STATISTICAL REPORT

2002-2003

**Ontario
Racing
Commission**

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October 2003

The Honourable Jim Watson
Minister of Consumer and Business Services
Parliament Buildings
Queen's Park
Toronto, Ontario

Dear Mr. Minister:

We are pleased to submit to you the Annual Report of the Ontario Racing Commission for the period ending March 31, 2003, pursuant to Section 15 (1) of the *Racing Commission Act, 2000*.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Lynda Tanaka".

Lynda Tanaka
Chair

Larry Todd, Vice Chair
Bernard Brennan, D.V.M., Member
Patricia Bullock, Member
Brenda Walker, Member

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Message FROM THE CHAIR



The last decade has been a period of extreme change and growth for both the Commission and the horse racing industry in Ontario. The industry has met these challenges with enthusiasm and commitment while the Commission's role during this time has been to ensure that the industry operates within a well regulated and structured environment. The Commission accomplishes this by setting a framework for the industry that establishes the boundaries of acceptable behaviour, encouraging and promoting standards within the industry, and through its role as an adjudicator, enforcing the rules that have been established with a full appreciation for the sometimes very difficult circumstances participants can find themselves in. It is this environment that has given the government the confidence to invest in the horse racing industry in Ontario.

For the Ontario Racing Commission, the 2002/03 fiscal year began on a very different note than it ended. While we started the year off by focussing on improving the

initiatives and programs the Commission had implemented over the last several years, we realized very quickly that the substantial growth enjoyed by the horse racing industry over the last several years did not come without its problems and challenges. Since December 2000 when the Commission's corporate structure and funding formula were changed, we have been in a position to meet industry demands for better services and increase our regulatory presence within the industry. The additional resources provided us with a more comprehensive view of the issues and challenges facing the horse racing industry.

In response to these issues, the Commission began a process to review its long-term goals which culminated in the development of a five year Strategic Plan. The Plan, developed in consultation with the horse racing industry, emphasizes policies and programs that enhance integrity within the industry including more rigorous enforcement activities and increased funding to support these initiatives. In the Spring of 2003, the industry agreed to provide funding for the Commission to implement the new strategic direction. The Commission will now be able to focus its activities on providing better regulation of the industry in the areas of stronger enforcement, information technology infrastructure and staff training programs.

At the time of this writing, I am no longer serving as the Chair of the Ontario Racing Commission and have been offered and accepted the position of Chair of the Ontario Lottery and Gaming Corporation. While I look forward to the new challenges ahead, it is with satisfaction that I look back on my nine years at the Commission.

It is with sadness that I leave the many friends and colleagues at the Commission. The industry is well served by this dedicated and hardworking group of individuals. Adequate funding has been secured to ensure the long-term viability of the Commission and the new Chair, Lynda Tanaka comes to the position with experience, energy and enthusiasm. I am confident that the Commission is well positioned to face the challenges in regulating this exciting and vibrant industry.

Stanley Zadenberg

Message

FROM THE EXECUTIVE DIRECTOR



During this past year, staff at the Ontario Racing Commission continued to focus their energies on strengthening the initiatives and programs we have been able to implement since the Commission changed its corporate structure and became self-financing in December 2000. Proactive initiatives coupled with an increased presence in the industry continue to be our key strategies for regulating the horse racing industry in Ontario.

To more effectively manage the growth experienced in the horse racing industry, we focussed on making improvements in three key areas during fiscal 2002/03:

- information technology enhancements,
- increased investigations and enforcement capacity, and
- licensee regulation, safety and accountability.

Field offices were connected electronically, an automated database for Judges' field reports was created and significant strides were made in the development of a new Thoroughbred Licensing and Veterinarian system. Other ventures such as licensing awareness programs and improvements to our human drug and breathalyzer testing programs increased the ORC's presence in the industry and enhanced safety.

As part of our commitment to increase accountability in the industry, we introduced amendments to the *Rules of Racing*, which introduced fundamental business standards between licensees which required, among other things, that proper records were being kept. In addition, we introduced a benchmark and performance measurement program to monitor the impact of slot machines on live racing.

Our new mission statement reflects our responsibility for the welfare of the horse and in this capacity, new rules were implemented. New claiming rules in Standardbred racing were put in place to reduce the turnover of horses. A new death registry program was established, requiring owners, trainers and veterinarian to inform the Commission of the death of any racehorse within 60 days of having worked, qualified or entered to race. Post mortems are required where the death takes place within 14 days and it is hoped the new information collected from this process will lead to new research into the causes of deaths in racehorses.

While many improvements have been made, the growth experienced within the racing industry has made it necessary to accelerate the pace of change. Through consultation with the industry, the Commission developed a five-year strategic plan for the organization, which outlines strategies to deal with emerging issues. Central to the plan is an emphasis on information technology initiatives as well as an aggressive staff training program.

The Commission will continue in its efforts to provide the Ontario horse racing industry with a well regulated business environment that focuses on efficient and effective services while continuing to work to protect the best interests of the industry and the general public as a whole.

Members

OF THE GOVERNING BOARD



Stanley Sadinsky, Q.C., *Kingston*

Appointed Chair of the Commission in 1994

Having served on the Commission in the early 1980's, Mr. Sadinsky was appointed as Chair in 1994. Born in Ottawa, Mr. Sadinsky is married and has two children. After graduating from Queen's University, he was called to the Bar in 1965. Mr. Sadinsky has taught law at Queen's University in Kingston since 1971, specializing in contract and gaming law. He was appointed Queen's Counsel in 1977. A long time fan of horse racing, Mr. Sadinsky was recently honoured with the Joan Pew Award, given out by the Association of Racing Commissioners International to a Commissioner who has displayed dedication, vision and vitality on behalf of racing. Mr. Sadinsky's current appointment expires on November 2, 2003.



Larry Todd, *Oakwood*

Appointed Vice Chair of the Commission in 2002

A graduate of Osgoode Hall Law School, Larry Todd was called to the Bar in 1975 and currently operates his own practice, which specializes in civil litigation and administrative law. A licensed Standardbred owner and driver for over 30 years, Mr. Todd brings a wealth of industry experience to his new position. Mr. Todd has served as counsel to the Ontario Harness Horse Association on various industry issues at both the federal and provincial levels. He also provided legal counsel to OHHA during the negotiations and implementation of the siteholders agreements between the racetracks and the Ontario Lottery and Gaming Corporation. In the past Mr. Todd has acted for clients regarding the purchase and operation of Standardbred racetracks in Ontario. His current appointment expires on October 8, 2005.



Bernard F. Brennan, D.V.M., *Kemptonville*

Appointed 2002

Born in Deseronto, near Napanee in 1927, Dr. Brennan graduated from the Ontario Veterinary College in 1951. A successful football player, Dr. Brennan was named Canadian Football League's Rookie of the Year in 1946 and played for the Ottawa Rough Riders, contributing to their 1951 Grey Cup Championship.

Serving for eight years as the track veterinarian at Rideau Carleton Raceway when it first opened, Dr. Brennan eventually left the racetrack to concentrate more on his veterinary practice. As co-owner of Alta Vista Animal Hospital in Ottawa for over 40 years, Dr. Brennan employed a staff of over 15 full-time veterinarians. More recently Dr. Brennan served a three year term at the Trillium Foundation, the Ontario government body charged with dispensing grants to charitable organizations.

Dr. Brennan has been an owner and trainer of standardbred horses for over 30 years, including part ownership in the great Cam Fella. His current appointment expires on May 28, 2005.



Patricia Bullock, *Burlington*

Appointed 1997

Patricia Bullock was raised in a farming community in southern Ontario. After completing her post secondary education at York University and the University of Toronto, Ms. Bullock taught in the public school system, specializing in children with learning difficulties. Her time is now spent running Glengate Farms, which she and her husband, James Bullock, bought in the early 1990's. Located near Mohawk Raceway, the Standardbred breeding farm has a roster of stallions, including the dominant trotting stallion, Balanced Image. The farm is also actively involved with transporting semen around the world and is working with the Equine Research Centre to perfect the freezing of equine semen. Her current appointment expires on April 29, 2004.



Thomas Gerald Deacon, Q.C., *Toronto*

Appointed 1997

Called to the bar in 1962 and appointed Queen's Counsel in 1976, Mr. Deacon's law practice was directed primarily to varied real estate related transactions, including many redevelopment projects in downtown Toronto for such clients as Cadillac Fairview Corporation Limited, T. Eaton Company Limited and BCE Development Inc. Married with two children and living in Toronto, Mr. Deacon is actively interested in Thoroughbred racing. His current appointment expires on April 29, 2003.



Brenda Walker, *Owen Sound*

Appointed 2003

Born in Brampton, Ontario, Mrs. Walker followed a love of horses into the Standardbred Industry. Along with her husband Paul, Mrs. Walker has been involved in the industry for over 28 years. Since 1994, Mrs. Walker has served as a Director of the Ontario Harness Horse Association for District 9, responsible for Hanover and Clinton Raceways. During that time she also served a number of years as a member of the Executive. In her capacity at OHHA, Mrs. Walker has been heavily involved in the Ontario Sires Stakes Program and the Horse Improvement Program, serving on the OSS Publicity and Promotion Committee, the Standardbred Review Committee and the OSS Date Scheduling Committee. As part of OHHA, Mrs. Walker also was involved with the Lasix Committee, with a mandate to encourage the expansion of the Lasix program to all Ontario racetracks. Her current appointment expires on February 2, 2006.

ORC

AT A GLANCE

Vision and Mission

The Ontario Racing Commission, in consultation with the horse racing industry, developed a new strategic direction which identified long-term goals and priorities for the Commission. As part of this process, we revised our vision and mission statements to better reflect our mandate and our focus on horse protection as one of our key commitments.

Mandate

The Ontario Racing Commission acts in the public interest to govern, direct, control and regulate the horse racing industry in Ontario and to ensure public confidence in the honesty and integrity of the industry in Ontario. The role and authorities of the Commission are established by the *Racing Commission Act, 2000*, (Statutes of Ontario 2000, c.20) and its regulations.

The Commission's prime goal is to maintain the integrity of the sport through the wide regulatory powers available under the *Racing Commission Act, 2000*. Some of these powers include the authority to make and enforce rules, licence participants in the industry such as jockeys, trainers, owners and racetracks and hold hearings related to these matters.

To achieve this goal, the Commission assumes responsibility for minimizing risks to the public interest and strives to maintain public confidence in the integrity of the horse racing industry. These measures are essential for the industry to reach its full economic potential in Ontario and through exports into other racing jurisdictions.

The Commission also plays an active role in assessing and monitoring the impact of slot machines on live horse racing and in developing business standards for the racing industry.



Core Business Functions

The Commission continues to focus its activities and priorities on its legislated and regulatory responsibilities. The ORC's core business functions are:

1. Officiate at all races

The Commission provides three officials (judges or stewards) to supervise races conducted at Ontario's 18 licenced racetracks. These officials are responsible for the enforcement of the Rules of Racing. Officials conduct investigations into alleged rule violations, fine/suspend licencees for violations and conduct hearings on regulatory matters as required.

2. Compliance

This function, performed by investigators and/or compliance officers, includes:

- Management of the human drug-testing and breathalyzer program;
- Searches for prohibited items (drugs/syringes); and
- Enforcement of security standards at racetracks.

3. Investigations

The Commission employs civilian investigators and seconded police officers from the Illegal Gaming Section of the Criminal Investigation Bureau of the Ontario Provincial Police. Key functions of the Commission's Investigative Unit include:

- Investigations of the more serious racing violations such as race fixing, horse abuse and hidden ownerships;
- Due diligence investigations on licence applicants or licencees;
- Liaison between the Commission, the police community and other civilian regulatory bodies in and out of Ontario;
- Enforcing Judges'/Stewards' and Commission orders and rulings; and
- Supporting the Ontario Racing Commission's hearing process.

ORC Vision Statement

As regulators, we establish and enforce fair rules to attain the highest possible standards of honesty and integrity among racing industry participants.



4. Licensing

The Ontario Racing Commission issues over 28,000 licences to individuals and businesses involved in the horse racing industry. A large part of the licensing function is performed at each track facility and Licensing Agents are available during live racing for more effective client service. The ORC's Investigative Unit also conducts due diligence investigations on all new licence applicants as part of the licensing process including new racetrack owners, teletheatre locations and individuals involved in the industry (i.e. grooms, trainers, racing officials, etc.)

5. Adjudication

The Commission hears appeals of rulings made by Judges and Stewards under the Rules of Racing and of the Director under the Rules and the *Racing Commission Act, 2002*. Appeals on minor matters may also be heard by an Industry Appeal Board which is more accessible to licencees, less formal and less costly.



6. Regulation of Racetracks

In exercising its responsibility to regulate the industry in the public interest, the Commission licences racetracks through an extensive due diligence investigation process. The Commission also reviews racetrack business plans, backstretch improvement plans and health and safety improvements as part of this process and holds public hearings on proposed new facilities and/or relocations of existing facilities.

7. Public Hearings

The Commission conducts public hearings as a means of dealing with administrative issues or as a means of obtaining public input into programs or policies affecting the industry. For example, the approval of teletheatre locations falls under this process. In addition, the Commission has sole jurisdiction and discretion in granting race dates in the province and considers applications in a public hearing in order to consider the views of other tracks, horsepeople and members of the public. The Commission also reviews business plans put forward by the individual racetracks prior to approving race dates.

ORC Mission Statement

To regulate all facets of the industry in a manner that:

- Promotes high standards of integrity, honesty, business practices and accountability;
- Protects and enhances the broader public interest;
- Protects the health and enhances the safety of the horse;
- Encourages balanced growth and economic development of the industry.

Corporate Structure

The proclamation of the *Racing Commission Act, 2000* achieved two key objectives, which were:

1. to strengthen and modernize the ORC's regulatory framework, and
2. to establish the ORC as a self-financing body.

The new Act also clearly distinguishes the roles and responsibilities of the Administration (headed by the Executive Director of the Commission) from those of the Governing Board. The Board has overall corporate governance responsibilities as well as adjudicative duties while the Administration has enforcement and administrative responsibilities.

Governing Board

The Ontario Racing Commission is governed by a Board of Directors that consists of not fewer than three and not more than seven members appointed by the Lieutenant Governor in Council. Members may hold office for a term of not more than three years but may be reappointed. A majority of the members of the Commission constitutes a quorum for a meeting of the Commission.

The Governing Board is responsible for:

- carrying out its responsibilities, within the limits of its jurisdiction, responsibly, fairly and in a manner consistent with relevant law and the public interest;
- informing and advising the Minister, through its Chair, of matters of an urgent, critical or relevant nature that are likely to require action by the Commission or Minister to ensure the administration of the Act is carried out properly;
- providing high quality service to the public in performing its responsibilities;
- establishing guidelines governing the exercise of any of the powers and duties under the Act;
- submitting an annual report to the Minister on the activities and affairs of the Commission;
- recommending, for the Minister's consideration, matters that require statutory or regulatory amendment;

- constituting, at the direction of the Chair, a panel to conduct any hearing required under legislation administered by the Commission;
- releasing expeditious, high quality decisions after the panel's hearing;
- establishing fees or other charges and providing for refunds for the purposes of the Act, the Regulations and the Rules of Racing;
- ensuring that the assets of the Commission and any public funds are used with probity;
- hiring the Executive Director for the Commission;
- conducting the affairs of the Commission; and
- approving operational and financial budgets and policies to govern its activities.

Administration

Headed by the Executive Director and CEO, the Administration is responsible for enforcement and administrative functions in carrying out the mandate of the Commission.

Executive Director

The Executive Director is responsible for:

- managing the day-to-day operations of the organization in accordance with accepted business and financial practices;
- developing and applying policies so that Commission funds are used with integrity and honesty;
- establishing and applying a financial management framework to support decision-making and preparing financial reports for approval by the governing board;
- supporting the Chair and the governing board in meeting their responsibilities;
- carrying out the policies and procedures as approved by the Chair and the governing board;
- preparing an annual report for the Commission, as directed by the governing board;
- preparing a business plan for the organization, as directed by the governing board; and
- establishing and maintaining, for approval by the board, a performance review system for staff.

The Executive Director, is also the Director appointed under the Act and has express legislative authority to exercise certain powers. Specifically, he/she is empowered to license and conduct investigations of persons seeking to be racetrack owners and horse people (drivers, jockeys, grooms, owners, trainers, etc.) and to register colours, assumed names, partnerships and contracts relating to horse racing. He/she may appoint one or more Deputy Directors and may delegate powers to them subject to any conditions set out in the delegation. He/she reports to the Governing Board of the ORC.

Director of Racing

The Director of Racing is responsible for the enforcement of the Rules of Racing for all breeds. This position combines expertise in horse racing and regulation. The Director is responsible for all field staff including Judges, Stewards, licensing agents and Veterinarians. Most of the assignments to the Investigations Unit are generated through this position.

Director of Finance and Administration

This position acts as the Chief Financial Officer for the Commission and as secretary to the board. The Act establishes the Commission as a self-financing agency and the Director is responsible for ensuring that the Commission's revenues collected from fees, fines and levies are sufficient to cover its operating expenditures. The accounts of the Commission are audited annually by the Provincial Auditor.

Investigative Unit

The Investigative Unit of the ORC is comprised of Ontario Provincial Police Officers as well as civilian investigators. The unit is headed by a Detective Staff Sergeant seconded from the OPP Illegal Gambling Unit. The ORC has had a working agreement with the OPP to provide it with investigative services since 1976.

EXTERNAL STAKEHOLDERS

Industry

- All racetracks
- Ontario Horse Racing Industry Association
- Ontario Harness Horse Association
- Northern Horsemen's Association of Ontario
- Horsemen's Benevolent and Protective Association
- Quarter Horse Owners of Ontario
- Jockeys' Benefit Association
- Standardbred Canada
- Canadian Thoroughbred Horse Society
- Standardbred Breeders and Owners Association (SBOA)
- Wagering Public
- Racetracks Canada
- Ontario College of Veterinarians
- Ontario Association of Equine Practitioners

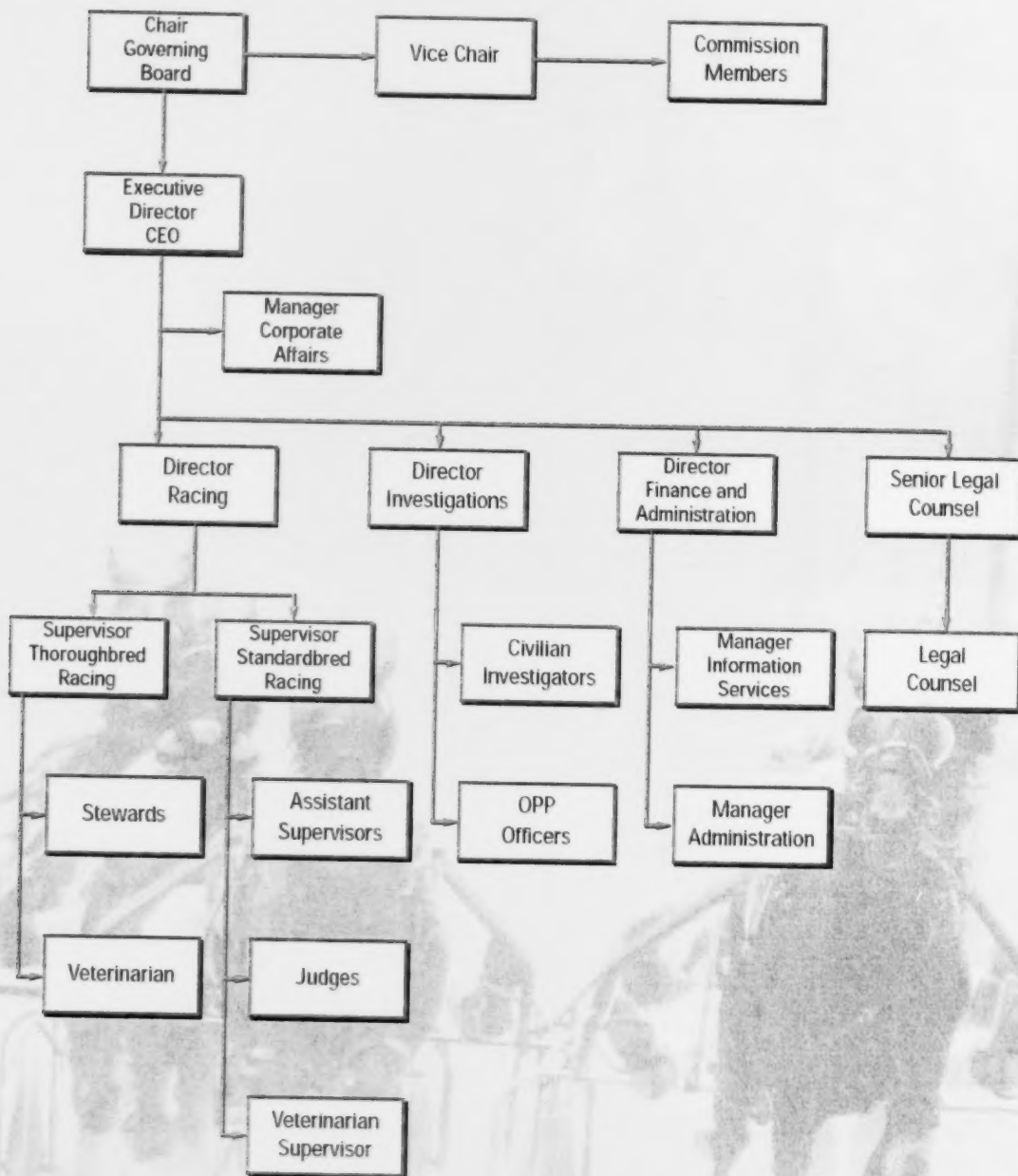
INTERNAL STAKEHOLDERS

Government

- Canadian Pari-Mutuel Agency
- Ontario Provincial Police
- Society of the Prevention of Cruelty to Animals



Organizational STRUCTURE



List of Staff

AS AT MARCH 31, 2003

Executive Director and CEO

Jean Major

Director of Racing

Terry Stone

Director of Finance and Administration

Greg Fernandes

Senior Legal Counsel

Don Bourgeois

Director of Investigations

Richard Pellarin

Supervisor of Thoroughbred Racing

Ed Hall

Supervisor of Standardbred Racing

Bill Fines

Assistant Supervisor of Standardbred Racing

Bill Hicks

Brent Stone

Supervisor, Official Standardbred Veterinarians

Bruce Duncan, D.V.M.

Manager, Corporate Affairs

Jasmina Milanovich

Manager, Information Services

Wendy Hoogveen

Manager, Administration

Rob Roy

Information Systems Coordinator

Sue Caelers (contract)

Technical Assistant

Lindsay Mandy (contract)

Executive Assistant

Jacinth Chang Alloy

Legal Secretary

Darla Wright

Secretary and Receptionist

Dolores Melo-Cordeiro

Personnel and Accounting Coordinator

Teresa Iwanciw

Purchasing and Licensing Clerks

Diane Lefebvre

Allyson Mason

Filing Clerk

Barbara MacKinnon

Margo Bush

Judges and Stewards

M. Wilson

G. Cahill

J. Campbell

J. Carrs

A. Caughey

W. Coke

B. Davies

P. Dyson

R. Fernandes

D. Godkin

V. Gould

R. Grubb

D. Gurney

N. Ham

R. Hanenburg

P. Harrison

J. Harper

D. Hopkins

G. Keys

W. Lawrence

G. Lindberg

W. Maertens

N. McCoag

I. McHutchion

W. McMahon

T. Miller

J. Minler

J. Murphy

R. Myers

J. Nemett

W. Pennington

T. Provost

C. Raymond

D. Raymond

R. Rier

J. Rouse

J. Thatcher

P. Webb

M. Wilson

I. Wright

Investigative Unit

D. Caesar

M. Elchysheh

J. McEachern

J. McDonough

T. Moffatt

B. Sword

S. Scanlan

Field Staff

R. Arsenault

G. Balwar

H. Duford

J. Eder

K. Fleming

V. James

L. Lancaster

N. Manente

J. McKenna

K. Moffatt

L. Moffatt

M. Nevins

M. Nickle

E. Powell

C. Scott

G. Taylor, D.V.M.

M. Taylor

M. Waltho

T. Weir

A. Wilson

Operational PERFORMANCE



Key Achievements

2002/03

In fiscal year 2002/03 the Commission focused its energies on strengthening the initiatives and programs it had implemented over the last several years. This included monitoring, on an ongoing basis, the changes to its corporate structure and practices which were required as a result of the change to self-financing status. Proactive industry regulation coupled with an increased visibility and presence in the industry were key goals and ensured that the ORC fulfilled its responsibilities in regulating the horse racing industry.

1. Corporate Administration

The Commission began a review of its licensing process including a review of the application forms and process for individuals and corporations to ensure all required information for due diligence investigations was being provided.

The Commission also remains committed to providing timely and relevant training opportunities for its staff to ensure that they have the necessary skills to meet the Commission's regulatory objectives. Training initiatives have been implemented in a number of key areas.

For example ongoing race review training seminars are being provided for ORC Field Staff and individual Information Technology training is being provided on a one to one basis.

2. Information Technology

The Commission has recruited a technical support specialist who provides information technology expertise to the Commission. With the recruitment of this individual, the Commission has implemented the following information technology initiatives:

- Connected field offices electronically through the acquisition of computer equipment and installation of e-mail and other software;
- Developed an automated database for Judges' and Stewards' field reports; and
- Began development of a new Thoroughbred Licensing and Veterinarian system.

3. Proactive Regulatory Initiatives

The Commission continued to provide timely communications on its activities and regulatory matters to the industry and general public by distributing two issues of the Commission's newsletter, *Integrity Matters*, including a special issue dedicated to the protection of the horse.

The Investigative Unit, in conjunction with other ORC Staff held a licensing awareness program at all racetracks across the province. Over 8,200 licences were checked during this initiative. The program increased the ORC's presence and profile in the industry and ensured that tracks were meeting required security standards with respect to restricting access to secure areas of the racetrack.

Through amendments to the Rules of Racing, the ORC implemented business standards for licensees to ensure that contractual agreements between licensees were in place and proper records were being kept. The Commission also introduced the requirement for racetracks to address health and safety issues in the backstretch by developing backstretch improvement and fire safety plans as part of their race date application process.



The Commission continued to work with the Official Veterinarians Committee to review the relationship between the ORC and Veterinarians who perform official functions at Standardbred racetracks. The types of issues discussed included:

- Clarifying the services and functions provided by Official Veterinarians;
- Establishing and enforcing standards on how veterinary work is performed;
- Standardizing working conditions; and
- Establishing training and continuous education standards.



4. Compliance

In order to ensure compliance with the Rules of Racing and public safety in horse racing, the ORC's Investigative Unit operated a random testing program at all racetracks. More than 5,000 tests were conducted through this program. Each racetrack was visited on at least one occasion and ORC staff conducted breathalyzer tests, human drug tests and a search of the barn and/or paddock areas.

5. Investigations and Enforcement

The 2002 Agreement for police services between the ORC and the OPP has provided a framework to allow for Police checks to be conducted on all ORC licensees. As part of the Investigative Unit's function in monitoring ORC licensees, a four-year rotational Police process for all existing ORC licensees was implemented. The first phase of this process, which will cover approximately 25% of ORC licensees, will be completed in 2002/2003. To date, 9,600 checks have been conducted.

In order to allow individuals to provide anonymous tips to investigators on corrupt practices within the racing industry, a TIP hotline was established. The ORC received tips on a number of issues including horse abuse, hidden ownerships and other potential regulatory infractions. Over 50 investigations were initiated as a result of information received from the TIP hotline.

6. Stakeholder and Industry Initiatives

As part of the slot machine at racetracks program and the Ontario Racing Commission's commitment to increasing accountability, we introduced a benchmarking and performance measurement program to monitor the impact of slots on live racing. The information derived from this initiative has:

- Improved accountability;
- Provided a meaningful basis upon which to measure the success of the slot machine initiative; and
- Provided racetracks with information crucial to the development of their yearly business plans.

A review of the benchmarking and performance statistics was provided as part of the 2003 race date application process.

Legal

The implementation of the *Racing Commission Act, 2000* both reinforced the traditional role of legal services and clarified to whom and when those services are provided. Lawyers for the Commission provide, in general, four types of services:

- Legal advisory services to staff and the Administration on policy issues or on specific factual matters.
- Litigation services, where the lawyers act on behalf of the Administration before a panel of the Commission at hearings under the *Racing Commission Act, 2000*, the Rules of Standardbred Racing or the Rules of Thoroughbred Racing.
- Litigation services on behalf of the Commission if there is an application for judicial review of a decision of the panel, and
- Legal support services to the Administration and to the Ontario Racing Commission.

These legal services are provided by the Commission's lawyers and by outside legal counsel retained for specific purposes. The use of outside legal counsel permits the Administration to manage unusual circumstances, to meet high demands in a cost effective manner, and to draw on expertise where required.

Commission Hearings

During the fiscal year, 42 hearings were held over 59 dates. Eight of the hearings were for thoroughbred matters, thirty for standardbred matters and four for other matters, such as race date applications. The Administration is usually represented by a lawyer at these hearings.



Ontario Racing Industry Board of Appeal

Hearings are also held before the Ontario Racing Industry Board of Appeal where the fine is less than \$500 or a suspension is less than 30 days. The Board sits in two divisions — Thoroughbred and Standardbred.

The Thoroughbred Division sat for 8 days and held 26 hearings (35 requests for hearings were made).

The Standardbred Division sat for 15 days and held 62 hearings (80 requests for hearings were made).

Requests for hearings were often abandoned, and as a result, the number of hearings were less than the number of requests. The Supervisors for Thoroughbred Racing and for Standardbred Racing act on behalf of the Administration before the Board of Appeal.

Notices of Proposed Order and Notices of Immediate Suspension

Thirty notices were issued under the *Racing Commission Act, 2000*. Notices of Proposed Orders and Orders of Immediate Suspension were introduced under the *Racing Commission Act, 2000*. Similar statutory provisions are in place for other regulatory agencies and administrative authorities that report to the Ministry of Consumer and Business Services.

Notices of Proposed Orders are issued by the Director where he or she proposes to refuse to issue a licence, to suspend a licence or to revoke a licence. The applicant for a licence or the licensee may, within 15 days of receipt of the notice of proposed order, request a hearing before a panel of the Commission. If the applicant or licensee does not do so, the Director may issue the order. If the applicant or licensee does request a hearing, the hearing is scheduled. The panel may confirm or set aside the order or direct the Director to take the action that the panel considers the Director ought to take to give effect to the purposes of the Act.

Racing

The Racing Division is responsible for the field operations of the Ontario Racing Commission and oversees the day to day supervision of live racing in the province. Key functions of this division are officiating at all races and applying the policies and rules promulgated by the Commission.

Under the supervision of the Director of Racing, Standardbred Judges and Thoroughbred Stewards oversee live races and issue fines and suspensions for violations of the Rules of Racing. Licensing agents maintain ORC offices at each of the racetracks and are in attendance on live race dates to facilitate licensing of racing participants. Where necessary the Judges and/or Stewards review applications, evaluate eligibility, oversee all racing officials, and generally handle any inquiries from licensees or the general public as it relates to the conduct of racing.

In addition, each racetrack has an Official Veterinarian in attendance to supervise live racing. Official Veterinarians play an important role in assisting the Commission to carry out its regulatory mandate. As the advocate for the horse, the Official Veterinarian's primary responsibility is to ensure that the horse is healthy and fit to race. These responsibilities are detailed in the Rules of Racing. As a Racing Official, Official Veterinarians also act as advisors to the Commission on matters related to equine health and are present at all tracks during live racing.

The Division also coordinates and oversees the Standardbred and Thoroughbred Industry Appeal Boards. The boards, which are comprised of industry representatives, hear appeals to rulings issued by the Judges and Stewards for fines of less than \$500 and/or suspensions of less than 30 days. Members of the Industry Appeal Boards are appointed by the Ontario Racing Commission, upon recommendations from industry associations.

Rulings

	2002	2001	2000
Thoroughbred			
Stewards Rulings	751	752	560
Live Race Dates	282	281	267
Rulings per race date	2.66	2.68	2.10

Standardbred			
Judges Rulings	1,865	1,913	1,828
Live Race Dates	1,396	1,363	1,307
Rulings per race date	1.33	1.40	1.40

Positive Drug Tests

	2002	2001	2000
Thoroughbred (includes Quarter Horse)			
No. of Tests	5,577	5,581	5,217
No. of Positives	3	5	5
Percentage occurrence	0.1%	0.1%	0.1%

Standardbred			
No. of Tests	27,403	26,357	24,759
No. of Positives	49	48	49
Percentage occurrence	0.2%	0.2%	0.2%

Positive Tests for TCO₂

	2002	2001	2000
Thoroughbred			
No. of Tests	3,560	5,076	4,017
No. of Positives	0	0	0

Standardbred			
No. of Tests	33,506	37,918	31,251
No. of Positives	5	14	20

TCO₂ Program began August 1999

Ten year comparison of live race dates

	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993
Thoroughbred										
Woodbine	166	165	160	165	171	178	194	192	182	135
Fort Erie	116	116	107	107	75	100	101	101	96	102
Greenwood							0	0	0	57
Total Thoroughbred	282	281	267	272	246	278	295	293	278	294
Quarterhorse										
Picov Downs	22	20	19	19	19	20	21	21	19	17
Total Quarterhorse	22	20	19	19	19	20	21	21	19	17
Standardbred										
Woodbine	157	155	106	133	159	150	141	144	136	0
Mohawk	103	102	154	123	100	110	118	117	122	119
Greenwood										139
Total WEG Standardbred	260	257	260	256	259	260	259	261	258	258
Flamboro Downs	259	259	260	255	255	212	250	134	212	185
Windsor	156	171	184	193	166	149	178	169	116	133
Rideau Carleton	141	155	118	95	74	77	69	113	105	104
Georgian Downs (Barrie)	101	25	46	50	52	54	50	66	90	99
Western Fair	99	98	98	87	92	89	95	112	121	127
Kawartha	79	87	54	50	50	31	47	55	56	49
Sudbury Downs	74	78	78	53	55	50	50	50	49	50
Hiawatha	65	73	78	57	50	48	47	53	44	60
Elmira	50	50	49	51	51	50	50	50	50	50
Hanover	31	31	17	21	21	21	20	21	21	27
Quinte (Belleville)	26	26	25	25	25	25	27	28	24	11
Dresden	20	20	16	16	15	14	21	26	27	27
Woodstock	18	16	12	16	15	15	15	19	22	21
Clinton	17	17	12	12	12	12	12	14	11	24
Orangeville										40
Kingston Park								2	44	34
Total Standardbred	1,396	1,363	1,307	1,237	1,192	1,107	1,190	1,173	1,250	1,299
Grand Total	1,700	1,664	1,593	1,528	1,457	1,405	1,506	1,487	1,547	1,610

Breakdown of number of licences issued

	2002	2001	2000	1999	1998
Thoroughbred					
Owner, New Owner & Owner Renewal	2,353	2,338	2,335	1,922	1,908
Trainer & Trainer Assistant	399	384	368	325	331
Owner/Trainer, New and Renewals	299	300	284	292	296
Jockey	115	99	115	106	113
Jockey Apprentice, Valets & Agent	64	68	56	57	60
Tradesman	246	203	196	180	171
Veterinarian	40	45	37	39	43
Occupational (Other)	2,697	2,449	1,959	2,051	1,672
Association Officials	174	176	165	172	177
Commission Officials	21	21	19	23	19
Pari Mutuel	212	251	243	475	174
Total Thoroughbred	6,620	6,334	5,777	5,642	4,964
Quarter Horse					
Owner	54	48	42	38	47
Trainer	7	6	3	3	6
Owner/Trainer	10	14	12	14	5
Owner/Assistant Trainer	3	2	3	7	6
Jockey	14	11	13	12	11
Veterinarian	—	3	1	2	—
Occupational (Other)	41	23	27	31	15
Association Officials	15	16	15	14	13
Commission Officials	3	3	3	3	3
Total Quarter Horse	147	126	119	124	106
Standardbred					
Owner, New and Renewal	9,230	8,848	8,610	7,797	7,341
Stable/Multiple Ownership	906	858	793	719	658
Trainer	3,533	3,451	3,442	3,258	3,068
Driver	1,748	1,703	1,714	1,608	1,497
Groom	4,470	3,451	3,685	3,411	3,332
Tradesmen	149	129	97	87	61
Veterinarian	65	62	61	59	56
Occupational	404	336	239	194	141
Association Officials	448	415	334	286	218
Commission Officials	100	82	74	71	70
Pari-Mutuel	1,109	659	651	383	512
Total Standardbred	22,162	19,994	19,700	17,873	16,954
Total licences issued	28,929	26,454	25,596	23,639	22,024
% changed	9%	3%	8%	7%	

Claims

	2002			2001		
	No.	Value \$	Average \$	No.	Value \$	Average \$
Standardbred						
Clinton	28	129,875	4,638	23	120,875	5,255
Dresden	26	129,125	4,966	28	154,125	5,504
Elmira	49	325,250	6,638	78	872,000	11,179
Flamboro Downs	776	5,890,327	7,591	491	6,628,855	13,500
Georgian	279	2,715,875	9,734	31	241,000	7,774
Hanover	49	329,000	6,714	56	364,000	6,500
Hiawatha	103	747,525	7,258	139	158,350	1,139
Kawartha Downs	122	908,375	7,446	185	2,928,500	15,829
Mohawk	632	20,481,000	32,407	548	27,473,850	50,134
Quinte	13	64,125	4,933	15	70,375	4,691
Rideau Carleton	449	4,344,250	9,675	525	8,947,625	17,043
Sudbury	104	731,820	7,037	168	1,877,500	11,175
Western Fair	86	584,875	6,801	116	761,750	6,566
Windsor	371	3,744,000	10,092	414	6,888,750	16,639
Woodbine	1,166	37,084,700	31,805	932	25,219,175	27,059
Woodstock	18	8,900	494	16	79,625	4,976
Total	4,271	78,219,022	158,228	3,765	82,786,355	204,963
Thoroughbred						
Fort Erie	448	3,793,000	8,466.52	355	2,899,500	8,167.60
Woodbine	627	17,307,000	27,602.87	671	18,296,750	27,267.88
Total	1,075	21,100,000	19,627.91	1,026	21,196,250	20,659.11



Investigative UNIT

The Investigative Unit of the Ontario Racing Commission assists the ORC in fulfilling its mandate to regulate horse racing in the public interest and ensure public confidence in the honesty and integrity of the industry in Ontario. The Investigative Unit falls under the umbrella of the Ontario Provincial Police Illegal Gambling Unit and is comprised of civilian investigators and police officers seconded from the OPP. The Director of the Unit is a Detective Staff Sergeant seconded from the OPP.

The Unit's overall focus is to enhance compliance with the regulatory framework governing horse racing through rigorous enforcement of the rules. While enforcement is key, these activities will be tempered by educational and outreach initiatives.

The objectives of the unit are to:

- enforce compliance with ORC rules and rulings;
- ensure that all facets of the industry operate with honesty and integrity;
- minimize criminal activity in the industry;
- curtail drug use (both human and equine);
- secure paddock and backstretch areas;
- minimize corrupt practices in the industry; and to
- establish Ontario as a horse racing industry leader in the area of regulation.

The Investigative Unit performs the following functions:

- conducts due diligence investigations on license applicants to ensure that only those individuals who will act with honesty and integrity can participate in the industry;
- conducts Human Drug Testing to enhance safety in horse racing;
- searches for prohibited items to minimize and discourage the use of illicit or prohibited substances;
- enforces Security Standards and other Rules of Racing;

- conducts investigations of serious racing violations including, shadow training and hidden ownerships;
- investigates illegal gambling activities related to the horse racing industry such as bookmaking and money laundering;
- liaises with the police community and other civilian regulatory bodies to share information and conduct joint investigations where appropriate;
- serves summonses to support judicial processes related to ORC regulatory activities; and
- conducts investigations and ensures compliance with the new Horse Death Registry.

2002/2003 Accomplishments

- Under the name of PROJECT ID, the Investigative Unit conducted another licensing blitz at all racetracks in Ontario. Over 8,200 licences were checked during this initiative. The program increased the ORC's presence and profile in the industry and ensured the tracks were meeting required security standards with respect to restricting access to secure areas of the racetrack.
- Conducted random testing program at all racetracks. More than 5,000 tests were conducted through this program, including breathalyzer tests, human drug tests and searches of barns/paddock areas and vehicles.
- Through the due diligence process a four year rotational CPIC process has been established to conduct CPIC checks on all ORC licencees. To date 9,600 CPIC checks have been conducted.
- Establishment of an ORC Hotline to provide anonymous tips to the Investigative Unit, including horse abuse, hidden ownerships and other potential regulatory infractions.
- Established an investigative protocol for the new Horse Death Registry.
- Conducted random checks of racetrack backstretch security measures.
- Conducted seminars for racetrack security personnel.

Investigative Unit

	2002	2001
Workload Statistics		
Human Drug Tests	499	508
Teletheatre Inspections	46	16
CPIC Checks Conducted	2750	2939
Due Diligence Investigations	123	186
Seizures	11	19
Teletheatre Investigations	16	24
Summonses Served	508	478
Occurrences		
Publicly Generated Occurrences	30	8
Licensee Generated Occurrences	20	14
ORC Generated Occurrences	369	385
Total	419	407
Searches		
Barn Searches	30	13
Vehicle Searches	30	10
Other Searches	5	42
TOTAL	65	65



Financial PERFORMANCE



Management DISCUSSION

The fiscal year of 2002-03 marks the second full operational period since the Ontario Racing Commission was established as an independent agency of the Crown under the *Racing Commission Act, 2000*.

During the year the Commission's Information Technology Strategic Plan was initiated. Server infrastructure has been set up and web based applications are being developed for the Thoroughbred licensing and veterinarian services. New computer equipment has been issued to connect all field offices with Head Office. The Investigative Unit has grown to meet expanding operational needs.

Change in Basis of Accounting

Effective April 1, 2002, the Commission adopted Canadian generally accepted accounting principles to prepare its financial statements. This requires accounting for revenues and expenditures on the accrual basis and the capitalization of assets when acquired are amortized over their estimated useful lives. A modified cash basis was used previously, which allowed for an extra 30 days for payment of goods and services, pertaining to the fiscal year just ending and the expensing of capital assets in the year of acquisition. This change in the basis of accounting for the Commission was adopted on a retroactive basis, resulting in some changes to the March 31, 2002 financial statements.

The Provincial Auditor conducted their audit in accordance with generally accepted auditing standards and expressed their opinion that the statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2003.

Revenue

During this fiscal period, the Commission received funds for its operational expenditures from three main sources:

- a track levy calculated as a percentage of each racing association's total wagering for the previous calendar year.

- license fees collected from individuals such as owners, trainers, drivers, jockeys, etc.
- fines imposed for violations for the Rules of Racing.

For the fiscal year ended March 31, 2003, the Commission's total revenue was \$7.5 million, and included track levy of \$6.2 million, fees of \$0.8 million and fines of \$0.5 million.

Expenditure

The Board approved total 2002-03 expenditures of \$7.4 million for the operation of the Commission, and based on this approval, the track levy (83% of revenue) is calculated.

Salaries and Benefits account for approximately 63% of total expenses. This is 3% less than the previous year due to the fact that expenses in 2002-03 for the Investigative Unit are included in Services as stated in note (8) of the financial statements for the year ended March 31, 2003.

Reserve

In 2001-02 the Ministry of Consumer and Business Services approved the establishment of a Reserve account of approximately 25% of its annual operating budget. This was deemed as prudent since a significant portion of the Commission's revenue base relies on total wagering at Ontario racing venues that could fluctuate.

Actual Reserve Fund

At the end of fiscal 2001-02 the total reserve fund was \$500,000 and the plan was to increase this fund by a portion of projected surplus from fiscal 2002-03. However, due to funding pressures of new initiatives, the Board approved that any surplus from fiscal 2002-03 would be used to help meet expenses for the fiscal 2003-2004.

Financial STATEMENTS

Auditor's Report

To the Members of the Ontario Racing Commission
and to the Minister of Consumer and Business Services

I have audited the balance sheet of the Ontario Racing Commission as at March 31, 2003 and the statements of operations and accumulated surplus and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Signed

J.R. McCarter, CA
Assistant Auditor

Toronto, Ontario
July 25, 2003

Balance Sheet as at March 31, 2003

	2003 (\$ 000)	2002 (\$ 000) (Restated Note 10)
Assets		
Current		
Cash (Note 9)	1,494	1,152
Accounts receivable	52	58
Prepaid expenses	54	78
	1,600	1,288
Capital Assets, net (Note 6)	290	23
	1,890	1,311
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	924	557
Current portion of accrued benefit obligation [Note 4 (c)]	28	14
	952	571
Long-term		
Accrued benefit obligation [Note 4 (c)]	468	444
Net Assets		
Accumulated surplus (Note 9)	470	296
	1,890	1,311

Commitment (Note 7)

Approved on behalf of the Commission:

Signed

Lynda Tanaka
Chair

Signed

Patricia Bullock
Member

Statement of Operations and Accumulated Surplus For the Year ended March 31, 2003

	2003 (\$ 000)	2002 (\$ 000) (Restated Note 10)
Revenue		
Track levy (Note 3)	6,234	5,487
Other licence and registration fees	758	750
Fines and penalties	475	441
Interest income	24	29
Total Revenue	7,491	6,715
Expenses		
Salaries and wages	3,946	3,763
Employee benefits (Note 4)	650	562
Transportation and communication	919	806
Services (Note 8)	1,640	1,194
Supplies	157	140
Amortization	5	—
Total Expenses	7,317	6,465
Excess of revenue over expenses	174	250
Accumulated surplus, beginning of year	296	46
Accumulated surplus, end of year	470	296

Statement of Cash Flows For the Year ended March 31, 2003

	2003 (\$ 000)	2002 (\$ 000) (Restated Note 10)
Net inflow (outflow) of cash related to the following activities		
Cash flows from operating activities		
Excess of revenue over expenses	174	250
Amortization	5	—
	179	250
Changes in non-cash items		
Accounts receivable	6	9
Prepaid expenses	24	(78)
Accounts payable and accrued liabilities	367	(520)
Accrued benefit obligation	38	(36)
	435	(625)
	614	(375)
Cash flows from investing activity		
Purchase of capital assets	(272)	(23)
Net change in cash position	342	(398)
Cash position, beginning of year	1,152	1,550
Cash position, end of year	1,494	1,152
Cash is composed of:		
General	994	652
Reserve (Note 9)	500	500
	1,494	1,152

See accompanying notes to financial statements

Notes to Financial Statements

MARCH 31, 2003

1. Objects of the Commission

Amendments to the *Racing Commission Act* were passed on November 2, 2000. Effective December 15, 2000, the *Racing Commission Act, 2000* continued the Ontario Racing Commission (the "Commission") as an independent self-financing regulatory agency of the Crown. The Commission is responsible to govern, direct, control and regulate horse racing in the Province.

2. Significant Accounting Policies

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The significant accounting policies used to prepare these statements are summarized below.

(a) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the estimated useful life of the asset, beginning in the year following acquisition, as follows:

Office furniture and equipment	5 years
Computer equipment and software	3 years

(b) Revenue Recognition

Track levy is recognized as income in the year it pertains to.

Other licence and registration fees are recognized as income when the licences are issued.

Revenue from fines and penalties, less a provision for uncollectible amount, is recorded when such fines and penalties are imposed.

(c) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amount of

assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses for the period. Actual amounts could differ from these estimates.

3. Track Levy

The track levy is calculated as a percentage of total wagering at each racing association for the previous year. The track levy is established such that, the total sum of the track levy, added to other fees collected by the Commission, will be sufficient to cover all costs associated with the operation of the Commission.

4. Employee Benefits

(a) Pension Benefits

The Commission provides pension benefits for all its permanent employees through participation in the Public Service Pension Fund (PSPF) which is a multi-employer defined benefit pension plan established by the Province of Ontario. The plan is accounted for as a defined contribution plan as the Commission has insufficient information to apply defined benefit plan accounting to the pension plan. The Commission's contributions related to the PSPF for the year were \$171,060 (2002 — \$97,333) and are included in employee benefits.

(b) Non-pension Benefits

Cost of post-retirement non-pension employee benefits are paid by the Management Board Secretariat and are not included in the Statement of Operations and Accumulated Surplus.

(c) Accrued Benefit Obligation

The accrued benefit obligation includes an accrual for employee severance payments. In fiscal 2003, the cost of this employee future benefit was \$52,447 (2002 — \$39,720) and is included in Employee Benefits.

5. Members' Remuneration

Total remuneration of the Chair and members of the Commission for the year was \$120,895 (2002 — \$138,731).

6. Capital Assets

	2003 (\$ 000)			2002 (\$ 000)
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment and software	232	1	231	1
Office furniture and equipment	63	4	59	22
	295	5	290	23

7. Commitments

The Commission is committed under operating leases on head office premises and vehicles with future minimum rental payments due as follows:

	(\$ 000)
2004	353
2005	302
2006	266
2007	56
2008	36
Thereafter	2
	1,015

8. Transactions With the Province of Ontario

Commencing in fiscal 2003, the Commission started paying the Ontario Provincial Police for investigative and related services, which totaled \$587,405. (2002 — \$0).

9. Reserve

Subsection 13(1) of the *Racing Commission Act, 2000* allows the Commission to retain its surplus funds unless, under subsection 13(2), it is ordered by the Minister of Consumer and Business Services to pay into the Consolidated Revenue Fund of the Province of Ontario the portion of its surplus funds as determined by the Minister. In fiscal 2002, the Commission obtained approval from the

Ministry of Consumer and Business Services to establish a Reserve account not to exceed 25% of the Commission's annual operating budget. These funds will be used as an operating contingency against unanticipated revenue shortfalls.

10. Change in Basis of Accounting

Effective April 1, 2002, the Commission adopted Canadian generally accepted accounting principles to prepare its financial statements. This requires accounting for revenues and expenses on the accrual basis and the capitalization of assets when acquired and which are amortized to income over their estimated useful lives. Previously, the modified cash basis was used, whereby revenues and expenditures were accounted for on the cash basis which was modified to allow for an additional 30 days to pay for goods and services pertaining to the fiscal year just ended, and capital assets were expensed in the year of acquisition. This change in the basis of accounting has been adopted on a retroactive basis resulting in the following changes to the March 31, 2002 financial statements.

	2002 (\$ 000)		
	As Previously Stated	Increase (Decrease)	As Restated
Current assets	770	518	1,288
Capital assets, net	—	23	23
Current liabilities	—	571	571
Long-term liabilities	—	444	444
Accumulated surplus	770	(474)	296
Excess of revenue over expenses	300	(50)	250

11. Salary Disclosure

Section 3(5) of the *Public Sector Salary Disclosure Act, 1996* requires disclosure of Ontario public-sector employees who were paid an annual salary in excess of \$100,000 in calendar year 2002. For the Ontario Racing Commission, this disclosure is as follows:

Name	Position	Salary	Taxable Benefits
Jean Major	Executive Director	\$149,385	\$3,851
Donald Bourgeois	Solicitor	\$129,554	\$255
Gregory Fernandes	Director of Finance and Administration	\$108,527	\$2,171
Terry Stone	Director of Racing	\$108,527	\$208

Wagering STATISTICS



Canada

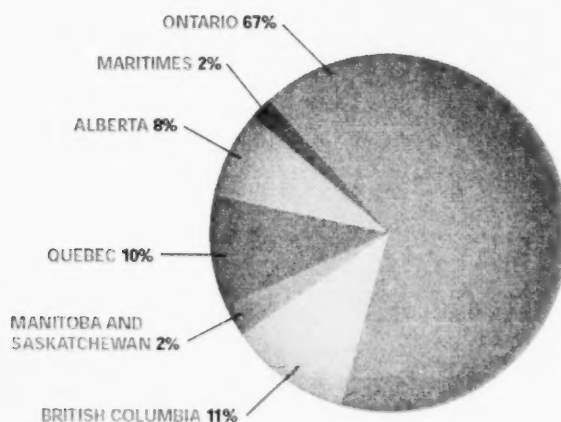
WAGERING STATISTICS 2002

	No. of Days	Wagering \$	Provincial Tax \$	Federal Levy \$	%
Canada					
Ontario	1,715	1,243,950,370			66.63%
British Columbia	201	206,963,000			11.09%
Quebec	104	183,637,618			9.84%
Alberta	293	153,016,437			8.20%
Manitoba	74	37,281,162			2.00%
Saskatchewan	60	11,119,470			0.60%
Nova Scotia	108	13,528,107			0.72%
New Brunswick	66	8,327,815			0.45%
PEI	96	7,963,196			0.43%
Newfoundland	25	1,033,197			0.06%
Total Canada	2,742	1,866,820,372			100.00%

* Statistics provided by the Canadian Pari-Mutuel Agency

Ontario					
Standardbred*	1,411	512,352,949	2,561,764	4,098,823	41.19%
Thoroughbred	282	731,486,875	3,657,434	5,851,895	58.80%
Quarter Horse	22	110,546	552	884	0.01%
Total Ontario	1,715	1,243,950,370	6,219,751	9,951,602	100.00%

* includes 15 days of Unsupervised Racing



Ontario

WAGERING STATISTICS 2002

Tracks	2002	2001	+/- %	2002	2001	+/- %
Thoroughbred						
Woodbine	166	165	0.6%	540,395,479	535,904,738	0.8%
Fort Erie	116	116	0.0%	71,221,164	53,015,737	34.3%
Total TB	282	281	0.4%	611,616,643	588,920,475	3.9%
Quarter Horse						
Picov Downs	22	20	10.0%	287,320	281,136	2.2%
Total QH	22	20	10.0%	287,320	281,136	2.2%
Standardbred						
Woodbine	157	155	1.3%	311,883,645	315,303,299	-1.1%
Mohawk	103	102	1.0%	30,142,139	31,643,283	-4.7%
Total WEG	260	257	1.2%	342,025,784	346,946,582	-1.4%
Flamboro	259	259	0.0%	53,550,322	65,334,979	-18.0%
Windsor	156	171	-8.8%	49,514,484	57,638,064	-14.1%
Rideau Carleton	141	156	-9.6%	38,022,739	40,629,190	-6.4%
Georgian	101	25	304.0%	29,641,680	25,328,249	17.0%
Western Fair	99	98	1.0%	26,184,630	26,546,716	-1.4%
Elmira	50	50	0.0%	25,630,617	29,300,957	-12.5%
Sudbury	74	78	-5.1%	15,812,083	16,555,119	-4.5%
Kawartha	79	87	-9.2%	13,287,116	12,328,278	7.8%
Hiawatha	65	73	-11.0%	10,290,787	10,882,381	-5.4%
Dresden	20	20	0.0%	7,403,994	6,658,982	11.2%
Hanover	31	31	0.0%	6,207,804	6,156,159	0.8%
Woodstock	18	16	12.5%	5,840,514	5,276,300	10.7%
Quinte	26	26	0.0%	5,010,755	4,632,831	8.2%
Clinton	17	17	0.0%	3,495,784	3,360,683	4.0%
Total Supervised	1,396	1,364	2.3%	631,919,093	657,575,470	-3.9%
Unsupervised	15	17	-11.8%	127,314	183,242	-30.5%
Total SB	1,411	1,381	2.2%	632,046,407	657,758,712	-3.9%
Grand Total	1,715	1,682	2.0%	1,243,950,370	1,246,960,323	-0.2%

Breakdown of WAGERING BY TYPE

Tracks	Live	% of total	Intertrack	% of total	Teletheatre	% of total	TAB	% of total	Total Wagering	Total Thoroughbred	Total Standardbred
Thoroughbred											
Woodbine	78,762,027	14.6%	118,645,023	22.0%	292,105,267	54.1%	50,883,162	9.4%	540,395,479	540,395,479	0
Fort Erie	18,862,293	26.5%	21,408,141	30.1%	30,307,640	42.6%	643,089	0.9%	71,221,164	55,536,819	15,684,345
Total TB	97,624,320	16.0%	140,053,164	22.9%	322,412,907	52.7%	51,526,251	8.4%	611,616,643	595,932,298	15,684,345
Quarter Horse											
Picov Downs	110,546	38.5%	176,774	61.5%	0	0.0%	0	0.0%	287,320	287,320	0
Total QH	110,546	38.5%	176,774	61.5%	0	0.0%	0	0.0%	287,320	287,320	0
Standardbred											
Woodbine	40,441,660	13.0%	80,895,735	25.9%	158,719,533	50.9%	31,826,717	10.2%	311,883,645	28,457,362	283,426,283
Mohawk	12,574,017	43.0%	17,168,122	57.0%	0	0.0%	0	0.0%	30,142,139	8,446,218	21,695,921
Total WEG SB	53,415,677	15.6%	98,063,857	28.7%	158,719,533	46.4%	31,826,717	9.3%	342,025,784	36,903,580	305,122,204
Flamboro	9,553,736	17.8%	12,690,378	23.7%	30,261,938	56.5%	1,044,270	2.0%	53,550,322	19,781,194	33,769,128
Windsor	15,656,418	31.6%	30,700,986	62.0%	1,604,986	3.2%	1,552,094	3.1%	49,514,484	15,681,569	33,832,915
Rideau Carleton	5,787,578	15.2%	12,346,185	32.5%	18,017,914	47.4%	1,871,062	4.9%	38,022,739	12,253,934	25,768,805
Georgian	4,578,826	15.4%	13,078,879	44.1%	10,815,324	36.5%	1,168,651	3.9%	29,641,680	13,304,910	16,336,770
Western Fair	4,128,744	15.8%	20,978,681	80.1%	103,002	0.4%	974,203	3.7%	26,184,630	7,795,885	18,388,746
Elmira	1,144,492	4.5%	7,639,437	29.8%	16,170,767	63.1%	675,921	2.6%	25,630,617	12,683,298	12,947,319
Sudbury	1,077,542	6.8%	185,719	1.2%	14,548,822	92.0%	0	0.0%	15,812,083	13,700,071	2,112,012
Kawartha	2,103,245	15.8%	3,017,026	22.7%	7,407,508	55.7%	759,337	5.7%	13,287,116	3,444,480	9,842,636
Hiawatha	3,085,690	30.0%	7,002,062	68.0%	103,002	1.0%	100,033	1.0%	10,290,787	2,182,688	8,108,099
Dresden	892,762	12.1%	2,534,906	34.2%	3,720,747	50.3%	255,579	3.5%	7,403,994	1,808,853	5,595,141
Hanover	835,067	13.5%	2,667,549	43.0%	2,373,449	38.2%	331,739	5.3%	6,207,804	1,665,363	4,542,441
Woodstock	391,113	6.7%	4,200,656	71.9%	1,058,438	18.1%	190,307	3.3%	5,840,514	1,760,527	4,079,987
Belleville	327,916	6.5%	3,689,300	73.6%	0	0.0%	993,539	19.8%	5,010,755	2,149,749	2,861,006
Clinton	540,539	15.5%	1,654,607	47.3%	1,176,913	33.7%	123,725	3.5%	3,495,784	579,647	2,916,137
Total Supervised	103,519,345	16.4%	220,450,228	34.9%	266,082,343	42.1%	41,867,177	6.6%	631,919,093	145,695,747	486,223,347
Unsupervised	127,314	100.0%	-	-	-	-	-	-	127,314	0	127,314
Total SB	103,646,659	16.4%	220,450,228	34.9%	266,082,343	42.1%	41,867,177	6.6%	632,046,407	145,695,747	486,350,661
Grand Total	201,381,526	16.2%	360,600,167	29.0%	588,495,250	47.3%	93,393,420	7.5%	1,243,950,370	741,915,365	502,035,006

Breakdown

FOREIGN VS ONTARIO PRODUCT

FOREIGN

ONTARIO

Tracks	Thoroughbred	% of TB	Standardbred	% of SB	Total foreign	% of total	Thoroughbred	% of TB	Standardbred	% of SB	Total Ontario	% of total
Thoroughbred												
Woodbine	358,335,503	66.3%	0		358,335,503	66.3%	182,059,976	33.7%	0		182,059,976	33.7%
Fort Erie	23,949,441	43.1%	5,107,505	32.6%	29,056,946	40.8%	31,587,378	56.9%	10,576,840	67.4%	42,164,218	59.2%
Total TB	382,284,944	64.1%	5,107,505	32.6%	387,392,449	63.3%	213,647,354	35.9%	10,576,840	67.4%	224,224,194	36.7%
Quarter Horse												
Picov Downs	10,708	3.7%	0		10,708	3.7%	276,612	96.3%	0		276,612	96.3%
Total QH	10,708	3.7%	0		10,708	3.7%	276,612	96.3%	0		276,612	96.3%
Standardbred												
Woodbine	28,457,362	0.0%	75,837,607	26.8%	104,294,969	33.4%	0	0.0%	207,588,676	73.2%	207,588,676	66.6%
Mohawk	6,179,225	73.2%	3,056,775	14.1%	9,236,000	30.6%	2,266,993	26.8%	18,639,146	85.9%	20,906,139	69.4%
Total WEG SB	34,636,587	93.9%	78,894,382	25.9%	113,530,969	33.2%	2,266,993	6.1%	226,227,822	74.1%	228,494,815	66.8%
Flamboro	13,560,885	68.6%	6,283,019	18.6%	19,843,904	37.1%	6,220,309	31.4%	27,486,109	81.4%	33,706,418	62.9%
Windsor	12,596,800	80.3%	6,853,906	20.3%	19,450,705	39.3%	3,084,769	19.7%	26,979,010	79.7%	30,063,778	60.7%
Rideau Carleton	9,322,926	76.1%	7,000,915	27.2%	16,323,841	42.9%	2,931,008	23.9%	18,767,890	72.8%	21,698,898	57.1%
Georgian	8,895,672	66.9%	3,261,476	20.0%	12,157,148	41.0%	4,409,237	33.1%	13,075,294	80.0%	17,484,532	59.0%
Western Fair	5,983,149	76.7%	3,355,950	18.3%	9,339,100	35.7%	1,812,736	23.3%	15,032,795	81.7%	16,845,531	64.3%
Elmira	9,055,110	71.4%	2,362,981	18.3%	11,418,092	44.5%	3,628,187	28.6%	10,584,338	81.7%	14,212,525	55.5%
Sudbury	10,939,770	79.9%	1,034,470	49.0%	11,974,240	75.7%	2,760,301	20.1%	1,077,542	51.0%	3,837,843	24.3%
Kawartha	1,920,583	55.8%	1,310,333	13.3%	3,230,917	24.3%	1,523,897	44.2%	8,532,303	86.7%	10,056,199	75.7%
Hiawatha	1,575,310	72.2%	1,303,651	16.1%	2,878,961	28.0%	607,378	27.8%	6,804,448	83.9%	7,411,826	72.0%
Dresden	1,296,831	71.7%	1,227,009	21.9%	2,523,840	34.1%	512,022	28.3%	4,368,132	78.1%	4,880,154	65.9%
Hanover	1,066,173	64.0%	749,617	16.5%	1,815,790	29.3%	599,190	36.0%	3,792,825	83.5%	4,392,015	70.7%
Woodstock	1,182,942	67.2%	768,376	18.8%	1,951,318	33.4%	577,585	32.8%	3,311,611	81.2%	3,889,196	66.6%
Belleville	1,382,237	64.3%	504,206	17.6%	1,886,443	37.6%	767,512	35.7%	2,356,800	82.4%	3,124,312	62.4%
Clinton	241,340	41.6%	481,261	16.5%	722,601	20.7%	338,307	58.4%	2,434,876	83.5%	2,773,183	79.3%
Total Supervised	113,656,316	78.0%	115,391,552	23.7%	229,047,868	36.2%	32,039,431	22.0%	370,831,794	76.3%	402,871,225	63.8%
Unsupervised									127,314		127,314	100.0%
Total SB	113,656,316	78.0%	115,391,552	23.7%	229,047,868	36.2%	32,039,431	22.0%	370,959,108	76.3%	402,998,539	63.8%
Grand Total	495,951,968	66.8%	120,499,957	24.0%	616,451,925	49.6%	245,963,397	33.2%	381,535,948	76.0%	627,499,345	50.4%

Progress

10 YEARS IN RACING

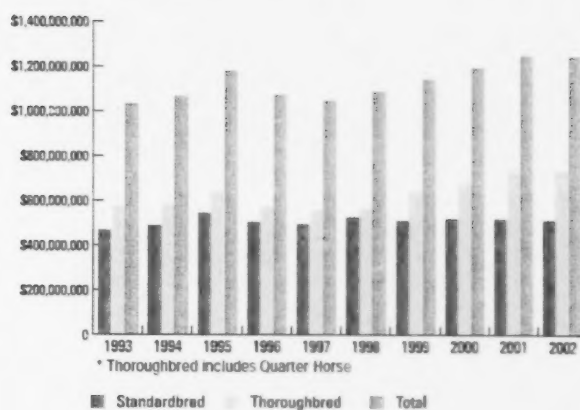
Year	Days Raced	Amount Wagered \$	Provincial Tax \$	Federal Tax \$	Purse Distribution \$
Thoroughbred					
1993	294	567,019,864	42,216,151	4,536,159	47,176,882
1994	297	578,367,530	43,488,071	4,671,571	39,484,249
1995	291	638,490,418	47,421,044	5,077,793	47,848,765
1996	295	569,659,968	44,831,638	5,282,436	47,496,127
1997	278	553,407,902	2,767,039	4,424,817	42,325,856
1998	246	564,056,502	2,820,282	4,510,285	44,914,580
1999	272	636,422,948	3,182,114	4,839,449	58,531,153
2000	267	676,304,806	3,381,524	5,404,992	86,141,250
2001	281	728,071,976	3,640,359	5,824,576	101,274,193
2002	282	731,486,875	3,661,863	5,844,315	111,556,530
Quarter Horse					
1993	17	139,387	9,757	1,115	97,775
1994	19	151,149	10,652	1,209	73,734
1995	20	128,836	9,113	1,030	204,895
1996	21	110,278	7,352	882	209,072
1997	20	98,321	491	786	164,832
1998	19	97,132	485	776	161,818
1999	19	100,061	500	800	169,188
2000	19	92,382	462	739	204,725
2001	20	102,862	514	823	246,600
2002	22	110,546	553	882	270,000
Standardbred					
1993	1,333	463,929,955	34,541,451	3,711,440	61,693,065
1994	1,298	488,252,954	36,992,508	3,963,716	63,951,896
1995	1,208	540,542,758	45,220,663	4,698,798	78,325,497
1996	1,215	501,662,083	41,910,793	5,343,692	78,676,848
1997	1,134	489,346,651	2,446,733	3,912,610	77,707,000
1998	1,216	523,637,389	2,618,186	4,187,087	81,193,564
1999	1,256	507,556,594	2,537,783	4,060,453	103,115,151
2000	1,321	516,615,809	2,583,079	4,132,926	141,426,121
2001	1,380	518,785,484	2,593,927	4,150,284	169,077,911
2002	1,411	512,352,949	2,565,646	4,092,103	189,043,494

1996: The Race Tracks Tax was reduced from 7% (9% on trackbets) to 0.5% effective September 30, 1996.

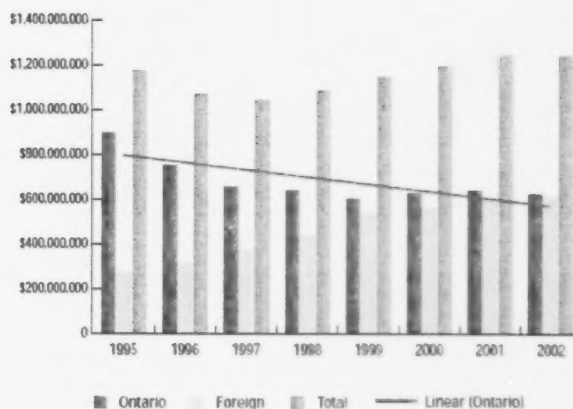
Note: Wagering statistics only include betting transactions in the Province of Ontario.

Betting transactions made in other jurisdictions on Ontario product are not included in these figures.

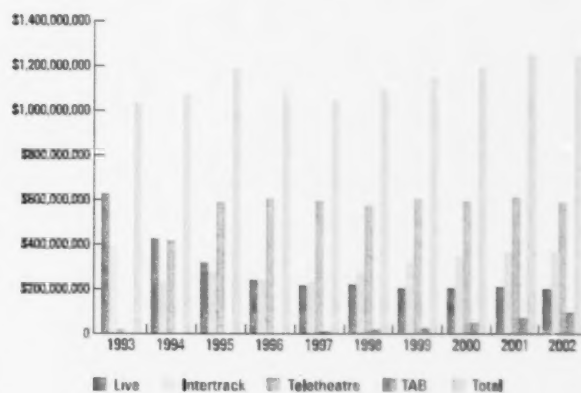
Ontario Wagering Statistics



How is Ontario product doing?



How and where are people betting



Simulcast WAGERING

Intertrack Wagering

Thoroughbred Product				Standardbred Product			Total		
Track	2002	2001	+/-	2002	2001	+/-	2002	2001	+/-
Thoroughbred									
Woodbine	118,645,023	120,221,633	-1.3%				118,645,023	120,221,633	-1.3%
Fort Erie	17,421,126	19,774,634	-11.9%	3,987,015	4,736,496	-15.8%	21,408,141	24,511,131	-12.7%
Total TB	136,066,149	139,996,267	-2.8%	3,987,015	4,736,496	-15.8%	140,053,164	144,732,764	-3.2%
Quarter Horse									
Picov	176,774	178,274	-0.8%				176,774	178,274	-0.8%
Total QH	176,774	178,274	-0.8%				176,774	178,274	-0.8%
Standardbred									
Woodbine	28,457,362	21,898,943	29.9%	52,438,373	55,946,546	-6.3%	80,895,735	77,845,489	3.9%
Mohawk	8,446,218	9,073,203	-6.9%	8,721,904	9,361,894	-6.8%	17,168,122	18,435,097	-6.9%
Total WEG	36,903,580	30,972,146	19.2%	61,160,277	65,308,440	-6.4%	98,063,857	96,280,586	1.9%
Flamboro	6,496,683	6,017,822	8.0%	6,193,695	6,785,714	-8.7%	12,690,378	12,803,536	-0.9%
Windsor	15,157,949	16,365,237	-7.4%	15,543,037	16,959,717	-8.4%	30,700,986	33,324,953	-7.9%
Rideau	5,393,990	6,239,033	-13.5%	6,952,195	7,995,228	-13.0%	12,346,185	14,234,264	-13.3%
Georgian	6,572,974	3,687,306	78.3%	6,505,905	3,714,653	75.1%	13,078,879	7,401,959	76.7%
Western Fair	7,488,158	7,802,584	-4.0%	13,490,523	13,619,186	-0.9%	20,978,681	21,421,770	-2.1%
Elmira	3,523,428	2,731,803	29.0%	4,116,009	3,923,334	4.9%	7,639,437	6,655,137	14.8%
Sudbury	185,552	649,258	-71.4%	167	5,775	-97.1%	185,719	655,033	-71.6%
Kawartha	572,549	451,629	26.8%	2,444,477	2,510,510	-2.6%	3,017,026	2,962,139	1.9%
Hiawatha	2,163,708	2,272,476	-4.8%	4,838,354	4,988,031	-3.0%	7,002,062	7,260,507	-3.6%
Dresden	605,161	415,882	45.5%	1,929,745	1,865,516	3.4%	2,534,906	2,281,398	11.1%
Woodstock	740,356	1,019,030	-27.3%	1,927,193	2,431,916	-20.8%	2,667,549	3,450,946	-22.7%
Belleville	1,581,674	1,494,041	5.9%	2,618,982	2,009,829	30.3%	4,200,656	3,503,870	19.9%
Hanover	1,667,172	556,172	199.8%	2,022,128	1,485,313	36.1%	3,689,300	2,041,485	80.7%
Clinton	391,842	271,143	44.5%	1,262,765	1,228,240	2.8%	1,654,607	1,499,383	10.4%
Total SB	89,444,775	80,945,562	10.5%	131,005,453	134,831,401	-2.8%	220,450,228	215,776,964	2.2%
Grand Total	225,687,699	221,120,104	2.1%	134,992,468	139,567,898	-3.3%	360,680,167	360,688,002	0.0%

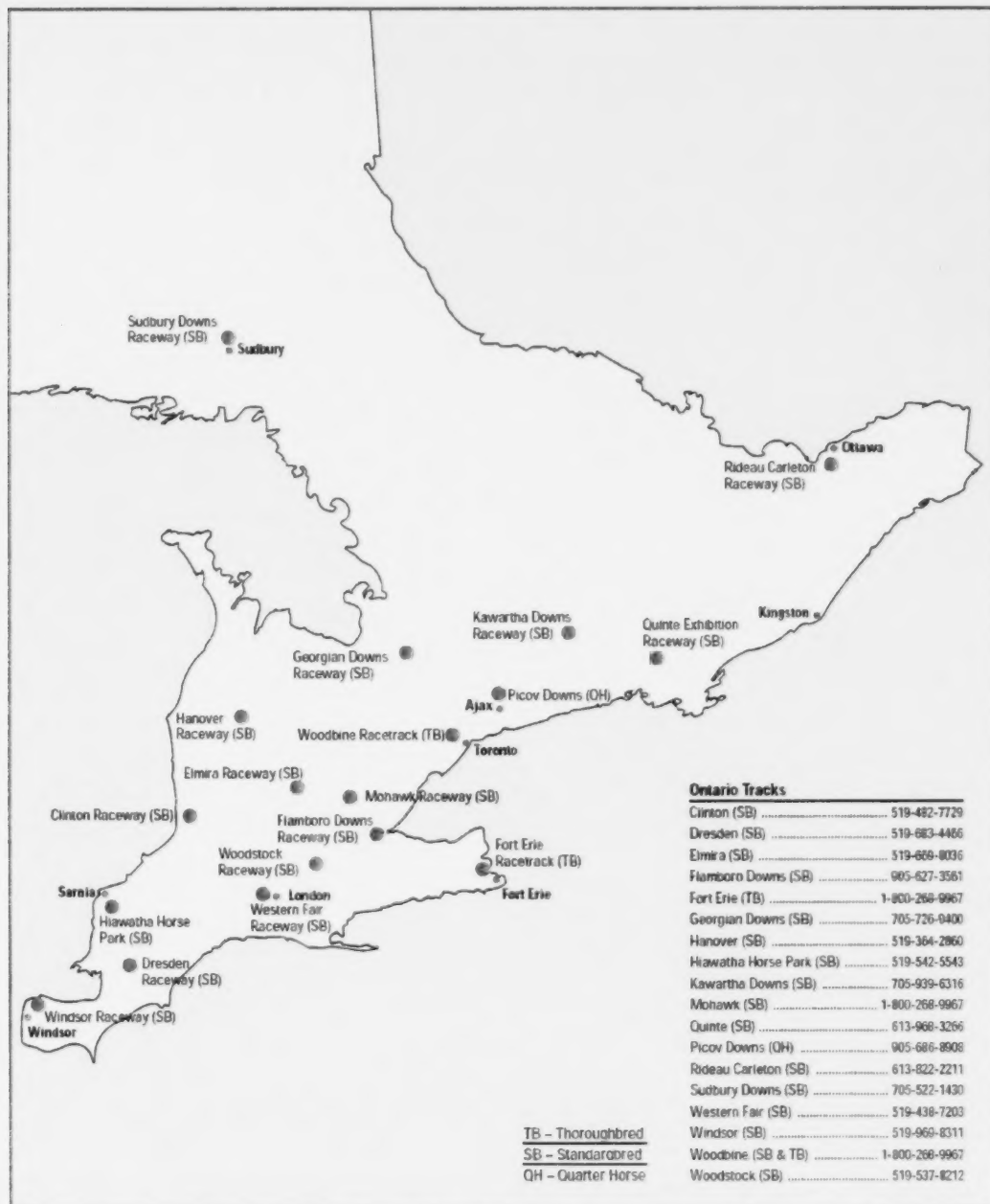
Teletheatre Wagering

Track	Thoroughbred Product			Standardbred Product			Total		
	2002	2001	+/-	2002	2001	+/-	2002	2001	+/-
Woodbine Entertainment	294,455,123	298,215,111	-1.3%	160,177,525	172,735,079	-7.3%	454,632,648	470,950,190	-3.5%
Fort Erie	18,870,774	5,490,801	243.7%	11,436,867	2,629,774	334.9%	30,307,640	8,120,574	
Flamboro Downs	12,801,755	18,456,220	-30.6%	17,460,183	24,204,817	-27.9%	30,261,938	42,661,037	-29.1%
Ontario Teletheatre Network	10,762,952	12,906,797	-16.6%	11,001,197	15,361,739	-28.4%	21,764,149	28,268,536	-23.0%
Rideau Carleton	6,093,264	6,472,120	-5.9%	11,935,391	12,687,997	-5.9%	18,028,655	19,160,117	-5.9%
Sudbury Downs	13,514,519	14,540,037	-7.1%	1,034,303	434,491	138.0%	14,548,822	14,974,528	-2.8%
Georgian Downs (Barrie) Hub	3,722,342	5,144,048	-27.6%	3,424,991	5,626,015	-39.1%	7,147,333	10,770,063	-33.6%
Kawartha Downs	1,484,205	744,282	99.4%	3,935,689	3,625,758	8.5%	5,419,894	4,370,040	24.0%
Dresden	1,160,034	1,054,327	10.0%	2,560,713	2,297,041	11.5%	3,720,747	3,351,368	11.0%
Windsor	173,545	107,502	61.4%	1,431,441	1,496,457	-4.3%	1,604,986	1,603,959	0.1%
Woodstock	102,340	686,336	-85.1%	956,098	141,765	574.4%	1,058,438	828,101	
Western Fair		6	-100.0%		13,012	-100.0%	0	13,018	-100.0%
Grand Total	363,140,853	363,817,587	-0.2%	225,354,398	241,253,945	-6.6%	588,495,250	605,071,532	-2.7%



Map of Ontario

RACE TRACKS



How to find AN ORC OFFICE

Head Office

Ontario Racing Commission
20 Dundas St. West, 9th Floor
Toronto, Ontario M5G 2C2

(416) 327-0520
(416) 325-3478 FAX
orcinqry@cbs.gov.on.ca

Hours of operation
8:30 a.m. to 5:00 p.m. Monday through Friday

Thoroughbred ORC Offices

Fort Erie Racetrack, Fort Erie
(905) 871-3200 ext. 3612
8:30 p.m. to 2:00 p.m. on live race dates

Woodbine Racetrack, Toronto
(416) 675-3993 ext. 2237
8:30 a.m. to 3:00 p.m. Thursday through Sunday
10:00 a.m. to 7:00 p.m. Wednesdays

Standardbred ORC Offices

Clinton Raceway, Clinton
(519) 482-5270 ask for the ORC office
11:00 a.m. to 2:00 p.m. on live race dates

Dresden Raceway, Dresden
(519) 683-4466 and ask for the ORC office
10:30 a.m. to 2:00 p.m. on live race dates

Elmira Raceway, Elmira
(519) 669-8036 ext. 244
4:00 p.m. to 8:00 p.m. on live race dates

Flamboro Downs, Dundas
(905) 627-3561 ext. 261
12:30 p.m. to 4:30 p.m. Wednesday through Saturday
4:00 p.m. to 8:00 p.m. Sundays

Georgian Downs, Innisfil
(705) 726-9400 ext. 406
5:00 p.m. to 8:30 p.m. on live race days

Hanover Raceway, Hanover
(519) 364-2860 and ask for the ORC office
4:00 p.m. to 8:00 p.m. on live race days

Hiawatha Horse Park, Sarnia
(519) 542-5543 and ask for ORC office
5:00 p.m. to 8:00 p.m. on live race days

Kawartha Downs, Fraserville
(705) 939-6316 and ask for the ORC office
4:00 p.m. to 8:00 p.m. on live night race days
3:00 p.m. to 6:00 p.m. on live afternoon race days

Mohawk Raceway, Campbellville
(905) 854-2255 ext. 4311
4:00 p.m. to 8:00 p.m. on live race days
8:30 a.m. to 11:30 a.m. during qualifiers

Quinte Exhibition & Raceway, Belleville
(613) 968-3266 and ask for ORC office
4:00 p.m. to 8:00 p.m. on live race days

Rideau Carleton Raceway, Ottawa
(613) 822-2211 ext. 355
3:00 p.m. to 7:00 p.m. on live late afternoon race days
4:00 p.m. to 8:00 p.m. on live night race days
9:00 a.m. to 12:00 p.m. on qualifiers

Sudbury Downs, Chelmsford
(705) 855-9001 and ask for ORC office
4:00 p.m. to 8:00 p.m. on live race days

Western Fair Raceway, London
(519) 438-7203 Ext. 511
5:00 p.m. to 8:00 p.m. on live race days

Windsor Raceway, Windsor
(519) 969-8311 ext. 311
9:00 a.m. to 12:00 Noon during qualifiers
4:00 p.m. to 8:00 p.m. on live race days
3:30 p.m. to 7:30 p.m. on Sundays

Woodbine Raceway, Rexdale
(416) 675-3993 Ext. 2641 or 1-800-268-9967 (toll free in Ontario)

Winter hours:
10:00 a.m. – 1:00 p.m. Sundays
4:30 p.m. – 8:30 p.m. on live race days

Summer hours:
4:00 p.m. – 8:00 p.m. on live race days

Woodstock Raceway, Woodstock
(519) 537-8212 leave message for ORC agent
11:00 a.m. to 2:00 p.m. on live race days

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